



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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April 29, 2014

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer *WTF for*

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## SACRAMENTO UPDATE

### Executive Summary

This memorandum contains reports on the following:

- **Pursuit of County Position to Support SB 1045 (Beall).** This measure would require that an outpatient group setting in which outpatient drug free counseling services are provided consist of no less than two individuals and no more than 14 individuals. Therefore, unless otherwise directed by the Board, consistent with existing policies to support measures that increase the availability and accessibility of alcohol and drug prevention, treatment, and recovery services for persons with alcohol and drug problems, **the Sacramento advocates will support SB 1045.**
- **Status of County-Sponsored Legislation**
  - **County-sponsored SB 827 (Liu)** - related to the County's Enhanced Homeowner Fraud Notification Program, passed the Senate Floor on April 28, 2014.
  - **County-sponsored SB 955 (Mitchell)** - related to authorization for wiretaps in human trafficking cases, was placed in the Senate Appropriations Suspense File on April 28, 2014.

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- **Status of County-Advocacy Legislation**

- **County-opposed AB 1035 (Pérez)** - related to the statute of limitations on safety officer death benefits, passed the Senate Floor on April 28, 2014.
- **County-opposed AB 2145 (Bradford)** - related to community choice aggregation programs (communitywide electricity buyers' programs), passed the Assembly Utilities and Commerce Committee on April 28, 2014.
- **County-supported SB 912 (Mitchell)** - related to food and beverage options offered in vending machines operated and maintained on State property, passed the Senate Appropriations Committee on April 28, 2014.
- **County-opposed SB 1328 (Hill)** - related to inspection of point-of-sale pricing systems to ensure they meet accuracy requirements, passed the Senate Business, Professions and Economic Development Committee on April 28, 2014.

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### **Pursuit of County Position on Legislation**

**SB 1045 (Beall)**, which as amended on March 28, 2014, would require that an outpatient group setting in which drug free counseling services are provided consist of no less than two and no more than 14 individuals.

Existing law establishes the Drug Medi-Cal Program which allows counties to enter into contracts with the California Department of Health Care Services (DHCS) to provide drug treatment services to Medi-Cal recipients, via community-based organizations and service providers. In instances where counties elect not to provide or administer this service, DHCS contracts directly with Drug Medi-Cal (DMC) service providers to provide these services within the respective county. Drug treatment services are provided in an outpatient or residential treatment facility setting and include services such as: narcotic treatment; outpatient Naltrexone treatment; outpatient drug free; day care habilitative, which are outpatient counseling/rehabilitation services; and perinatal residential services. Existing law further requires that an outpatient group setting in which outpatient drug free counseling services are provided consist of no less than four individuals and no more than 10 individuals, at least one of which must be a Medi-Cal eligible beneficiary.

According to the author of SB 1045, the existing limitation on outpatient group size presents challenges for individuals seeking counseling and for counties seeking to provide these services. As a result of the existing State-imposed group size restrictions, counties can only receive Medi-Cal reimbursement for eligible beneficiaries that participate in a group counseling session of no less than four individuals and no more than 10 individuals (and as long as one of the individuals is a Medi-Cal eligible beneficiary). This presents a challenge for small counties that sometimes find it difficult to assemble a group of at least four individuals and likewise presents a challenge for large counties that are sometimes forced to turn away prospective clients or delay their counseling session because the group has achieved its maximum number of allowable participants. From the client perspective, these realities may result in a delay/postponement of counseling or require individuals to travel long distances to receive counseling. Further, according to the author, this measure will align the DMC Program outpatient drug free counseling group size limitations with other Medi-Cal service group size requirements and will allow the State and counties to take advantage of available Federal Medicaid funding.

In Los Angeles County, the Department of Public Health (DPH) is responsible for administering the DMC Program on behalf of the County through a contract with DHCS. Under the terms of the contract, which was originally approved by the Board of Supervisors in 1994, DPH is responsible for ensuring that alcohol and drug treatment services deemed medically necessary are provided to Medi-Cal eligible recipients. In this role, DPH is responsible for: 1) directly contracting with program providers; 2) monitoring program services to ensure compliance with all rules, regulations, and contractual requirements; and 3) working with service providers to correct deficiencies; among other provisions.

The Department of Public Health indicates that SB 1045, if enacted, would establish a maximum outpatient drug free counseling group size of 14 that is an accepted group size for a clinically sound practice. DPH further indicates that the provisions under SB 1045 make outpatient drug free counseling services more financially viable for the County and its service providers.

The Department of Mental Health indicates that a minimum group size of two for outpatient drug free counseling services is consistent with the allowable group size for Medi-Cal services provided under the Federal Rehabilitation Option.

This office and the departments of Public Health and Mental Health support SB 1045. Therefore, unless otherwise directed by the Board, consistent with existing

policies to support measures that increase the availability and accessibility of alcohol and drug prevention, treatment, and recovery services for persons with alcohol and drug problems, **the Sacramento advocates will support SB 1045.**

Currently there is no registered support or opposition on file for SB 1045.

SB 1045 is scheduled for hearing in the Senate Health Committee on May 7, 2014.

#### **Status of County-Sponsored Legislation**

**County-sponsored SB 827 (Liu)**, which as amended on April 8, 2014, would extend to January 1, 2020, the authorization contained in **County-sponsored SB 62 of 2011**, which allows Los Angeles County to send notifications to occupants of a residential property when a notice of default or of sale has been recorded on that residence and provides for related counseling and assistance, passed the Senate Floor by a vote of 25 to 10 on April 28, 2014. This measure now proceeds to the Assembly.

**County-sponsored SB 955 (Mitchell)**, which as introduced on February 6, 2014, would add human trafficking to the list of offenses for which interception of electronic communications (wiretaps) may be ordered, was placed on the Senate Appropriations Suspense File on April 28, 2014.

#### **Status of County-Advocacy Legislation**

**County-opposed AB 1035 (Pérez)**, which as amended on April 22, 2014, would extend the statute of limitations on filing a death benefits claim for a firefighter or peace officer who dies of specified presumptive work-related illness from 240 weeks to 420 weeks from the date of injury, passed the Senate Floor by a vote of 35 to 0 on April 28, 2014. This measure now proceeds to the Assembly for concurrence in Senate amendments.

**County-opposed AB 2145 (Bradford)**, which as amended on April 10, 2014, would require each electricity customer to opt-in a community choice aggregation (CCA) program by requiring a positive declaration from the customer for participation in a CCA program. The bill would also: 1) provide that a customer shall be served by the community choice aggregation program if an affirmative declaration is made; 2) require solicitations of customers by a CCA, and communication by the CCA to the public or prospective and existing customers to include a comparison of rates between current investor-owned utilities (IOUs) and the CCA for the next five years; 3) require solicitations and communications by the CCA to also include the annual greenhouse gas emissions rate for electricity delivered to customers for the previous two years; and

4) authorize the California Public Utilities Commission (CPUC) to order corrective action against a CCA for violations of these provisions, passed the Assembly Utilities and Commerce Committee by a vote of 9 to 0 on April 28, 2014. This measure now proceeds to the Assembly Appropriations Committee.

**County-supported SB 912 (Mitchell)**, which as amended on April 21, 2014, would make permanent provisions in current State law which require vending machine operators to provide food and beverage options that meet accepted nutritional guidelines in vending machines operated and maintained on State property, passed the Senate Appropriations Committee by a vote of 6 to 0 on April 28, 2014. This measure now proceeds to the Senate Floor.

**County-opposed SB 1328 (Hill)**, which as amended on April 14, 2014, would: 1) authorize the California Department of Food and Agriculture (CDFA), by regulation, to establish a uniform policy consistent with Federal law relating to the use of dry tare weight or wet tare weight methods of measurement for the retail sale of meat, poultry, and fish products; 2) prohibit a grocery store from being fined or assessed a penalty for the first item not in compliance during an initial standard inspection provided that the store has a policy to refund the amount of the product or to provide the product free of charge, if the amount paid is greater than the price advertised, posted, marked, displayed or quoted; 3) authorize the Secretary of CDFA, by regulation, to impose an additional assessment of up to \$2 for the license of a business that uses a point-of-sale system, to be deposited in the California Department of Food and Agriculture Fund, for purposes of carrying out the provisions regulating the use of point-of-sale systems, passed the Senate Business, Professions and Economic Development Committee by a vote of 8 to 0 on April 28, 2014. This measure now proceeds to the Senate Appropriations Committee.

We will continue to keep you advised.

WTF:RA  
MR:VE:IGEA:ma

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions  
California Contract Cities Association  
Independent Cities Association  
League of California Cities  
City Managers Associations  
Buddy Program Participants